

## Personnel

Education and Training  
Programs

## Tuition Assistance

## POLICY:

- .01 The Laboratory provides financial assistance (100% of tuition, and ~~and~~ fees [other than late fees] billed by the educational institution, and books) for job-required or approved job-related courses to eligible employees who request such support while pursuing employee-development opportunities at academic, professional, vocational, or continuing education institutions or through correspondence courses accredited by the Department of Education or other appropriate organizations. Employees are not eligible for Laboratory tuition reimbursement if tuition is reimbursed from other sources. If tuition is partially reimbursed from other sources, the Laboratory may reimburse the remaining tuition. The Laboratory will not reimburse an employee who repeats a course for which tuition assistance has previously been paid.

## Work Time

- .02 ***Job-Required Classes*** — All class time for job-required courses is considered part of the job assignment. For nonexempt employees, all time spent in job-required classes is paid as time worked. For exempt employees, class time that falls during the employee's scheduled work hours is considered time worked. See [AM 401](#).
- .03 ***Job-Related Classes*** — For nonexempt employees, time spent in job-related classes that are scheduled during or that overlap the employee's normal work hours is counted as time worked when attendance is approved by the supervisor, subject to the limitation described in .04. For exempt employees, ~~and~~, job-related courses may be treated as time worked if they are scheduled during the employee's normal work hours and approved by the supervisor as described below. See [AM 401](#).

Release for Class  
Attendance

- .04 A supervisor may approve up to ~~and~~ 20 hours of work time per employee per ~~and~~ week (up to 50% of the employee's scheduled work hours for part-time employees) for the employee to attend job-related courses if budget and work-schedule constraints are met. The employee may not use release time for purposes other than attending classes. The supervisor must ensure that the

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A limit is not exceeded. For nonexempt employees, supervisors may also approve flextime or personal reschedule to accommodate class time scheduled during working hours. See [AM 326](#).

**NOTE:** The supervisor may approve a request for tuition assistance for a job-related course and deny a request to treat the class time as time worked.

- .05 **Recording Attendance** — When employees are released to attend classes as described in .04, report the time as work time.

### ELIGIBILITY:

- .06 All regular full-time and part-time employees are eligible for tuition assistance. All short- and limited-term employees, including Special Employment program employees, are eligible for tuition assistance for job-required courses. Full-time short- and limited-term employees are also eligible for tuition assistance for job-related courses. Special Employment Program employees are eligible for reimbursement for job-related courses if they enroll in and complete the course during a period of full-time employment. Employees on leave of absence are not eligible for tuition reimbursement.

### TUITION REIMBURSEMENT:

- .07 The employee is reimbursed for tuition, & fees, and books (see [.01](#)) on successful completion of the course. Reimbursements are recharged to the employee's group cost code. &

**NOTE:** The employee may keep any books reimbursed under this policy. However, the employee must not return books for credit or resell them if the Laboratory has reimbursed the cost.

### Successful Completion

- .08 Successful completion is a grade C or better in an undergraduate course and grade B or better in a graduate course. If a course is graded only on a pass/fail basis, successful completion is a grade of pass. No reimbursement is made for incomplete courses or courses that the employee withdrew from before the end of the term. See [.16](#).

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- AUDITING COURSES:** .09 The primary purpose of tuition assistance is to encourage work toward a degree or certificate; however, assistance may be given for auditing courses under the following circumstances.
- With Degrees** .10 Employees with degrees who wish to broaden their technical or professional backgrounds may receive tuition assistance for auditing courses with the approval of the appropriate division-level manager.
- Without Degrees** .11 Employees without degrees may receive tuition assistance for auditing courses if the course material is directly related to the job and if they can justify not taking the course for credit. Approval from the division-level manager is necessary.
- APPLYING FOR ASSISTANCE:** .12 Before enrollment, the employee must
- Complete an Application for Tuition Assistance or Local Training (Form 896) and
  - Obtain group-level manager approval for credit, accredited correspondence, and continuing education courses and division-level manager approval for audit courses.
- The employee must retain Form 896 until he or she has completed the course.
- REIMBURSEMENT**
- Credit Courses** .13 On successful completion of a course, the employee must attach to the Form 896 the original receipts for tuition, fees, and books for the specific course involved and the original grade report and send the package to the Laboratory Training Office (LTO) for verification and processing.
- Audit, Accredited Correspondence, and Continuing Education Courses** .14 In lieu of the grade report, employees who audit or take accredited correspondence or continuing education courses must obtain the instructor's signature on Form 896. The instructor's signature indicates that the employee participated

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significantly in the course. The employee must attach the original tuition receipt to the Form 896.

### Time Limit for Reimbursement

- .15 Employees must submit Form 896 no later than 3 months after completion of the course. Requests submitted more than 3 months after course completion will not be processed, except with approval of the cognizant Associate Director (AD).

### Failure to Successfully Complete

- .16 An employee who fails to successfully complete a course may request reimbursement by sending a memo, through his or her group-level manager (for credit courses) or division-level manager (for audited courses), to the Laboratory Training Director, explaining why an exception should be granted. Factors to be considered include, but are not limited to,

Serious illness,

Unexpected or extended work assignments, including travel,

Transfer or reduction-in-force, and

Whether the employee's overall grade point average remains acceptable to the academic institution.

Exceptions are granted at the discretion of the Laboratory Training Director but will not be granted based on the difficulty of the course, the employee's lack of preparation or lack of study time, or poor teaching.

### TUITION ADVANCE:

- .17 The Laboratory will make advance payment of tuition and eligible fees (see .01) only for job-related or job-required continuing education courses of brief duration (2 weeks or shorter) that do not award college credit. An approved Form 896 is required. *See also* [AM 404](#) and [AM 406](#).

### TAXATION OF GRADUATE-COURSE REIMBURSEMENTS:

- .18 The Laboratory withholds taxes from graduate-course reimbursements unless the employee and the supervisor both certify that the expenditures meet the Internal Revenue Service (IRS) criteria for

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deductibility as ordinary and necessary business expenses.

### Criteria

- .19 The IRS considers educational expenditures to be a deductible business expense, not subject to withholding, if all of the following criteria are met:

The education is expressly required by the employer or is required by law or regulation as a condition for the employee to keep the present salary, employment status, or job, or the education maintains or improves skills required in doing the present work;

The education is not needed to meet the minimum educational requirements of the employee's job, trade, or business; and

The education is not part of a study program that can qualify the employee in a new trade or business. A change in duties involving the same general type of work as the present employment is not considered a new trade or business.

### Procedure

- .20 An employee who applies for graduate educational assistance must complete the Request for Exemption from Withholding of Income Taxes on Graduate Educational Assistance (Part II of Form 896). Both the employee and the supervisor must sign the request.

### Taxes Not Withheld

- .21 If the employee and the supervisor both certify that the educational expenditures meet the criteria for deductibility as ordinary and necessary business expenses, the Laboratory will not withhold taxes on the tuition reimbursement or report the reimbursement to the IRS as part of the employee's taxable income. However, the Laboratory is not liable for the payment of any amounts that may be owed if the IRS disallows any deductions of educational expenditures as business expenses.

### Taxes Withheld

- .22 If the employee and the supervisor do not both certify that the educational expenditures meet all of the IRS criteria for deductibility as ordinary and necessary business expenses, the Laboratory will

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report the tuition reimbursement to the IRS as part of the employee's taxable income and will withhold taxes on the reimbursement at the rates of 20% for federal taxes and 8 1/2% for state taxes. In this case, the employee must complete the special withholding form for graduate educational assistance (Part III of Form 896). The employee may elect to have the total amount of the taxes withheld in equal amounts from 1, 2, or 3 paychecks.

**NOTE:** Employees with questions about taxation of tuition reimbursements should contact their personal tax advisors or the IRS.